REMARKS

Applicants have the following response to the Examiner's rejections in the Final Rejection.

Claim Rejections - 35 USC §103

The Examiner has the following rejections under 35 USC §103:

- A. Claims 1, 3, 5 and 55-58 are rejected as being unpatentable over Sasaki et al in view of Nakai et al.
- B. Claims 19, 21, 23, 25, 27 and 29 are rejected as being unpatentable over Sasaki et al in view of Nakai et al and further in view of McKechine et al.
- C. Claims 7, 9, 11, 13, 15 and 17 are rejected as being unpatentable over Sasaki et al in view of Nakai et al and further in view of Ishida, et al.
- D. Claims 49, 51, 53 and 65-68 are rejected as being unpatentable over Sasaki et al in view of Nakai et al and further in view of Kusano et al.
- E. Claims 70-74 are rejected as being unpatentable over Sasaki et al. in view of Nakai et al. and further in view of Yamaguchi et al.

Each of these rejections is respectfully traversed.

In each of the above rejections, some combination of <u>Sasaki</u> and <u>Nakai</u> are used to reject the claims of the present application. <u>Sasaki</u>, however, discloses "a gray-level control circuit 331...will serve to select any one of the eight gray-level voltages (**V0**, **V1**, ... **V7**) preset in the gray-level voltage generating circuit **501**" (see Col. 37, lns. 3-8). <u>Sasaki</u> also discloses that "the control of the frame (F) <u>periods</u> is effected in combination with the eight gray-level voltages (**V0**, **V1**, ... **V7**) "

(see Col. 38, lns. 38-40; emphasis added) and "FIG. 41 is a diagram illustrating the waveforms of gray-level voltages generated by the gray-level voltage generating circuit shown in FIG. 39" (see Col. 9, lns. 43-45). Nakai discloses OCB.

Sasaki fails to teach or suggest the feature of the time gradation of Claim 1 but instead only discloses the gradation voltage. More specifically, Sasaki merely teaches the selectivity of the gray-level voltage of one frame. The time gradation which the present application teaches is used in totaling the gray scale voltage levels in the sub-frame line terms and then time-averaging the total in one frame (see e.g. specification at p.19, lns. 16-18 and Fig. 9).

Nakai also fails to disclose or suggest this feature.

Therefore, the device of Claim 1 is clearly different from what is disclosed in <u>Sasaki</u> and <u>Nakai</u> (even if such combination were proper, which Applicants do not admit).

With regard to claims 3 and 5, <u>Sasaki</u> fails to teach or suggest the claimed feature of "forming an image for one frame comprising 2^{m-n} subframes."

Accordingly, for at least the above-stated reasons, the present invention is patentable over the cited references. Therefore, it is respectfully requested that each of these rejections now be withdrawn.

New Claims

Applicants are also adding new Claims 75-107. If any fee is due for these claims, please charge our deposit account 50/1039.

Conclusion

Applicants respectfully submit that the present application is in a condition for allowance, and

it is requested that it be allowed.

If any further fee is due for this amendment, please charge our deposit account 50/1039.

Favorable reconsideration is earnestly solicited.

Respectfully submitted,

Date: November 9, 7004

Mark J. Murphy Registration No. 34,225

COOK, ALEX, McFARRON, MANZO, CUMMINGS & MEHLER, LTD. 200 West Adams Street; Suite 2850 Chicago, Illinois 60606

(312) 236-8500